

**Department of Natural Resources  
Timber Report  
Third Quarter Fiscal Year (FY) 2012-13**

**Background**

Michigan's state forest system was originally certified under both the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) third party forest certification standards in December 2005. Michigan successfully re-certified under both standards in December 2010.

Forest certification protocols require public participation in forest management planning and forest operations. The Department of Natural Resources (Department) compartment review process has been audited by both the SFI and the FSC and has been recognized as a key public participation mechanism that meets requirements for forest certification.

The Department's investment in forest certification strengthens Michigan's forest products sector. Certification is essential in order for primary wood producers in Michigan to have continued access to national and international markets.

**Third Quarter FY 2012-13 Timber Treatments**

State forest planning and activities, including timber treatments, are conducted within the framework of SFI and FSC forest certification principles and standards. Timber treatments in a given year are based on decisions made two years prior through the compartment review process. Additional treatments are approved, in particular, when timber salvage is feasible because of fire or insect and disease impacts.

The FY 2012-13 plan of work currently identifies 77,768 acres for timber sale preparation that were approved through the compartment review process. Many of these acres are prescribed because of the impact of Emerald Ash Borer and Beech Bark Disease. In some cases, these acres are being prepared ahead of the normal schedule. Managers have developed work plans to prepare 72,000 acres for sale. Due to the lack of resources, the other 5,768 acres are not expected to be completed this year and will be added to next year's plan.

Timber sale preparation is done by Department staff and through timber marking contracts with private consultants. In the third quarter of Fiscal Year 2012-13, 1,010 acres of timber sale preparation-marking contracts were awarded, bringing the total for the year to 9,083 acres. Contracts for an additional 2,152 acres (part of the 5,768 acres referenced above) are expected to be awarded this fiscal year. Contracts awarded in the third and fourth quarters are expected to be completed in FY 2013-14.

Through three quarters, the Department has prepared 241 timber sale proposals, accounting for 27,588 acres and an estimated volume of 363,269 cords.

Of the 214 sales offered for bid in the third quarter, 192 sold on their initial offering. This 10% no-bid percentage is slightly less than the first two quarters, but significantly higher than the whole of FY 2011-12, where about 5% of sales received no bids. Of the 60 sales that received no bids upon initial offering this fiscal year, 33 have since sold.

FY 2012-13	Total sales offered in the quarter	Offerings with no bids	Percent (%) of sales that were no-bid
1 <sup>st</sup> quarter	180	19	11%
2 <sup>nd</sup> quarter	168	19	11%
3 <sup>rd</sup> quarter	214	22	10%
<b>Total</b>	<b>562</b>	<b>60</b>	<b>11%</b>